CHAPTER XIV.—LOCAL AND OTHER FUNDS.

	Article.		Article.
Explanation ..	.. 238	District and General Irrigation Cess Funds ..	.. 261
Plus and *Minus* Memorandum	.. 242	Mysore City Improvement Fund	263
Verification of Balances	.. 244	Muzrai Funds ..	.. 264
Submission of Estimates	.. 246	Military Funds	.. 268
Supply of Cheque Books	.. 247	Mysore University Fund	.. 269
District Funds ..	.. 248	Coffee Cess and Experimental Station Fund	.. 270
Taluk and Village Funds	.. 256	Village Improvement Fund	.. 271
Municipal Funds ..	.. 259		

Explanation.

238. The expression ' Local Fund ' denotes :—

(1) Revenue administered by bodies which by law or rule having the force of law come under the control of Government whether in regard to the proceedings generally or to specific matters such as the sanctioning of their budgets, sanction to the creation or filling up of particular appointments, the enactment of leave, pension or similar rules ;

(2) the revenues of any body which may be specially notified by the Government as such.

239. The following are the several Funds :—

(1) District Funds (including the Funds of the Sanitary Board, Kolar Gold Fields).
(2) Taluk Funds.
(3) Village Funds.
(4) Municipal Funds.
(5) District and General Irrigation Cess Funds.
(6) Mysore City Improvement Trust Fund.
(7) Muzrai Funds.
(8) Military Funds.
(9) Mysore University Fund.
(10) Coffee Cess and Experimental Station Fund.
(11) Village Improvement Fund.

240. The transactions of all Local Funds of which the Government desires that there shall be a separate balance, will be entered in the treasury in subsidiary registers, prescribed for the purpose which will have one column for every such fund in the district.

241 The account of a Local Fund at the treasury is ordinarily a mere banking account, money being paid in and drawn out without specification of the nature of receipt or expenditure. The Treasury

Officer need only see that the voucher for payment is in proper form and signed by the proper officer, and that the amount does not exceed the amount at credit of the banking account.

In the case, however, of funds wherein the procedure of paying in and drawing money is the same as in the case of Government accounts and the same forms of vouchers are used, the Treasury Officer should scrutinise and pass the vouchers, as though they are vouchers in respect of claims on Government and should also see that the amount demanded is at the credit of the fund, wherever individual balances are kept.

If the charges of any local fund are drawn from the treasury on detailed bills, the gross amount should be charged in the accounts, the deductions on account of life insurance, etc., being credited by transfer in distinct entries.

Plus and Minus Memorandum.

242. Treasury Officers should append a *plus and minus* memorandum to the monthly accounts, showing for each Local fund, the balance at the beginning of the month, the amounts received and credited during the month, and those paid out during the month and the balance at the end of the month. In the case of Local funds, which have not got an individual balance but only a balance for the whole State, the balance column need not be filled up.

NOTE.—Treasury Officers should submit with their monthly accounts, *plus* and *minus* memos showing the transactions of the different Municipalities and Local Boards banking with them and the closing balances at their credit.

243. (*a*) All adjustments between general revenues and funds administered by separate administrations such as Municipal and District funds should be made by the Local Bodies concerned and not by the Account Office, actual payments being made into the treasury by means of cheques, crossed by the drawers. In the case of other funds also, adjustments to their credit or debit should similarly be made as far as possible by or with the knowledge of the administrators of the funds.

(*b*) Amounts payable by a Municipality or a Local Board to Government, should be paid by cheques drawn in favour of the Treasury Officer for adjustment in the treasury accounts by credit to the heads concerned and by *per contra* debit to the accounts of the Municipality or the Local Board. These payments should in any case be made before the end of the year for which they are due.

Whenever an amount due to Government by a Local Body is not paid, within a reasonable time after the receipt of requisition therefor, the Comptroller will, after the issue of a warning slip to

Page 141, Article 243.

Insert the following after "order" in line 5 at the end of the sub-para to clause (b):—

"*No. L. 6827-47—Med. 129-21-17, dated the 5th April 1923,and*"

(M. C. A. C. Vol. I, 2nd Edition No. 18, dated 4-10-27)

the Local Body concerned, authorise the Treasury Officer to debit the amount in the Pass book of the Local Body and reduce the balance at its credit. The Treasury Officer, will, in such cases, effect necessary adjustments in the treasury accounts. (*Government Order No. L.* 2062—*Ml.* 94-23-4, *dated 9th September* 1924.)

(*c*) All payments to Municipalities and Local Boards by Government will be made by the Comptroller either on a preaudited bill or by sending advice to the Treasury.

(*d*) The following procedure should be followed by Local bodies in drawing grants sanctioned by Government for public improvements :—

(i) Expenditure will, in the first instance, be incurred by Local bodies out of their own funds and at the end of the month, a bill for the Government share of expenditure incurred in accordance with the order sanctioning the grant will be sent to the Audit Office for preaudit and authorising payment of the amount. Expenditure incurred in excess of the Government grant for the year for particular works will not be passed without the special order of Government.

(ii) In cases in which the works are entrusted to the Public Works Department for execution, the Local body will place its portion of the estimated amount with the Executive Engineer concerned by a crossed cheque on the Treasury, in favour of the Executive Engineer. On receipt of intimation that this amount has been received from the Local body, the Executive Engineer will be authorised to incur expenditure both against the amount paid by the Local body and the Government grant. The amount paid by the Local body will as usual be kept under 'Public Works Deposits —Contributions.' The expenditure incurred by the Executive Engineer every month will be debited to 'Public Works Deposits— Contributions' and '30 Grants for Public Improvements' in the proportion prescribed by Government in the order sanctioning the project. The Executive Engineers will under no circumstances incur expenditure in excess of the Government share of the estimate and the grant for the year.

(*e*) All payments arranged for by the Comptroller on behalf of Municipalities and Local Boards at places outside the State will be held by him under ' Advances recoverable ' and intimation of payment sent to the Presidents or Vice Presidents concerned on receipt of which they should draw crossed cheques on the treasuries with which they bank and send them to the treasuries for adjustment by debit to the Municipality or Local Board by *per contra* credit, to ' Advances recoverable '. Payments within the State and at places, other than those where the treasuries with which they

bank are located, should be made by obtaining remittance transfer receipts.

Verification of Balances.

244. (*a*) At the end of the year the balances at credit of each fund are verified by the Treasury Officer in communication with the Comptroller on the one side, and the officer or committee administering the fund on the other. The balance on the Comptroller's books is the balance acknowledged by Government, and the Treasury Officer should follow it and not the local accounts, as his standard.

(*b*) The reconciliation of their balances with those of banking accounts maintained in treasuries is the work of Municipalities and Local Boards.

245. Presidents of Municipalities and District and Taluk Boards will send only the monthly cash accounts to the Comptroller, all other accounts, vouchers and statements being retained in the offices of the President or the Vice President as the case may be, properly arranged and kept ready for audit on the spot by the local auditors of the Comptroller's office. The income and expenditure as entered in the cash account should be verified with the treasury Pass book memo and an explanatory memo reconciling the differences between the cash account and the treasury accounts sent with the former. As regards transactions under Village Funds, the Presidents of District Boards should send to the Comptroller one consolidated account for each month for all the Village Panchayets in the form prescribed for those bodies. The monthly accounts should reach the Comptroller on or before the 25th of the succeeding month.

Submission of Estimates.

246. The estimates of the revenue and expenditure of several funds dealt with in this chapter should be prepared by the offices controlling the administration of the fund in consultation with the Comptroller, if necessary, and sent up through that officer to Government for scrutiny and orders. (*G. O. No.* 5715-24—*G. F.* 133-09-3, *dated* 19*th May* 1910.)

Supply of Cheque Books.

247. Cheque books will be supplied by the Comptroller to Presidents of Local Boards and Municipalities on application. The number of cheque forms in each book will be counted and the continuity of the printed serial numbers examined immediately on

receipt of the books and the fact of their having been found correct noted in the acknowledgment sent to the Comptroller.

District Funds.

248. The chief sources of revenue credited to the District Fund of each district are :—

(1) 26 per cent of the one anna local cess collected on all items of Land Revenue (including Land Revenue Miscellaneous.)

(2) 67 per cent of the one anna cess collected on Excise, Forest and other items of revenue (excluding Land Revenue).

(3) Railway cess on all items of revenue on which local cess is now levied according to the rates sanctioned by Government for each district. (To be used solely for the construction of Tramways and rail-roads.)

(4) Mohatarfa in non-municipal areas. (*G. O. No. R.* 10245-62—*L. R.* 453-16-1, *dated* 10*th April* 1917.)

(5) Education cess on all items of revenue on which local cess is now levied (to be used exclusively for expansion of primary education.)

249. All moneys received on account of the District Fund shall be remitted to the local treasury and no portions thereof shall be appropriated for expenditure ; and any money required for expenditure shall be drawn only by means of cheques. Payments into the treasuries of moneys collected by or sums due to, the Board, shall be accompanied by a chalan in triplicate. The original shall be retained by the Treasury Officer, the duplicate being sent by him, on the same day on which it is received, to the office of the District Board, and the triplicate shall be delivered to the person paying in the money.

NOTE.—Contributions due to District Funds from Municipalities on account of salaries of establishments whose pay is debitable to both District and Municipal Funds should be paid by means of crossed cheques drawn in favour of the Treasury Officer for being credited to the District Fund of the District concerned.

250. The one anna local cess on Land Revenue collected by the revenue authorities and credited in the treasury accounts, shall, on the last day of each month, be adjusted, in the accounts of each Taluk and District Treasury, through the register of transfer transactions, by crediting 50 per cent of it to Taluk Funds, 26 per cent to District Funds and the remaining 24 per cent to Education, and making the necessary entries in the subsidiary registers of these funds. As no further adjustment is required to be made in the District treasury, a statement showing the cess credited by Taluk

and Sub-taluk in each treasury under " Local Cess " and its allotment to the three funds should be prepared in each Taluk Treasury and transmitted with the monthly accounts to the District Treasury, where the totals should be checked and agreed with the amounts credited to these funds in the cash accounts submitted to the Comptroller. These Taluk Treasury statements should be transmitted by the District Treasury monthly to the Comptroller along with the District Fund *Plus* and *Minus* memos.

1. As regards Land Revenue and cesses received in one treasury for another in the same district, a remittance transfer receipt for the cess shall be issued to the taluk to which it relates for apportionment to the respective funds.

2. The cesses on Forest Revenue and the local cess on Excise revenue creditable to District Funds is calculated in the Comptroller's office once a quarter and is placed at the disposal of the District Boards (including Kolar Gold Fields Sanitary Board) by means of payment orders issued to the treasuries by the Comptroller.

3. The Education cess collected by the Revenue Department and remitted to the treasury is credited, in the Treasury accounts under " District Funds " and included in the Treasury Pass book of the District Board, as a separate item marked as " Education cess". The account rules of procedure for transferring the Education cess credited under " District Funds " to the Education Department are detailed in Appendix XXI.

4. Refunds of cesses are made along with refunds of the connected revenue. The refund relating to cess will be deducted from the total credit on account of the local cess during the month and only the net amount arrived at will be credited to the several funds in the proportions fixed.

5. For the amount so credited to the Funds no chalan or advice need be sent to the office of the District or Taluk Boards but the amount will be credited by the Treasury in the Pass Book to the credit of the Fund concerned and in the local area under the Sanitary Administration of the Kolar Gold Fields Sanitary Board to its fund.

251. All payments under Rs. 10 shall be made in cash, and no cheque shall be drawn for less than Rs. 10 except in the following cases, *viz.*, (1) for recoupment of permanent advance on the last day of the month (2) for adjusting payments on behalf of the District Funds made in the first instance from State Funds, such as pension, charges on account of indigent patient proceeding to Bangalore or Mysore for anti-rabic treatment, payments at Madras and through Messrs. Coutts and Co., London, arranged for by the Comptroller, (Such cheques will be credited to the head ' Objection Book Advances—Civil ' in the treasury accounts.) and (3) Credits to Life Insurance Fund, Provident Fund and other heads to be adjusted in the treasury accounts. The general instructions given in Articles 27 to 33 shall be followed in preparing cheques.

All cheques shall be signed by the President of the District Board and those in favour of a Government officer shall be made payable to ' order ' only, while those payable to any other person

may be made payable to bearer. Cheques are current for three months from date of issue.

252. The following are some of the contributions payable to Government :—

(*a*) CONTRIBUTION PAYABLE TO STATE FUNDS ON ACCOUNT OF MEDICAL INSTITUTIONS.

(i) *Local Fund Dispensaries.*—The entire charges on account of Local Fund Dispensaries, excepting the pay of Sub-Assistant Surgeon and cost of Europe Medicines, are payable by Local Bodies. (G. O. No. L. 6827-47—Med. 129-21-17, dated 8th April 1923). As regards fixed charges, such as charge allowance to Medical officers, establishment, house rent, fixed contingencies, the Senior Surgeon intimates to the Comptroller, soon after the budget estimates of the State are sanctioned by Government the amount recoverable from each Local body as provided for in the State Budget. A crossed cheque for the amount demanded by the Comptroller shall be drawn by the Local body in one lump-sum in favour of the Treasury Officer and sent to him for credit to the Medical Department. In the case of varying charges, *viz.*, 'bedding and clothing furniture, midwives' articles and country medicines, the actual cost is payable by the Local bodies concerned. In the latter case, the Medical stores, while supplying the articles will recover its dues at once by sending bills along with the articles to the Presidents who will immediately issue, for transfer adjustment in the Treasury accounts to the credit of the Medical Department, crossed cheques on account of such bills, and intimate the fact of having done so to the Superintendent, Medical Stores.

The adjustment of the cost of construction and repairs of Local Fund Dispensaries which is met from State, District and Municipal Funds in equal proportions will be made in the following manner :—

Contributions payable by each Local body should, after the estimates for the works are sanctioned, be credited to "Public Works Deposits" before the works are undertaken, to the extent of the funds that can be made available out of the budgets of the Local bodies concerned for the year. The President or Vice-Presidents of the Local bodies, as the case may be, should issue crossed cheques for the amounts to be transferred to the Public Works Department in favour of the Executive Engineer. The difference between the amount contributed and the actual outlay need not be watched and adjusted as it will be very small. The Presidents of the Municipal and District Boards may require early execution of the works and where any such work in full or in part is found unnecessary and is consequently abandoned they may claim and obtain refund of the amount contributed or proportion thereof, as the contribution will in such cases be large. In any case the accounts of the Public Works Department and the Local Boards should be settled annually. (*G. O. No.* 1830-9—*L. B.* 292-09-5, *dated* 24*th August* 1910, and Rule 119 (c) of revised Local Board Rules.)

(ii) The following are the contributions payable to Government by Local Bodies on account of other medical institutions :—

Name of Institution	Name of Local body	Contribution	Authority
1 Vani Vilas Hospital, Mysore.	District Board, Mysore.	⅓rd of the actual charges,	G. O. No. 22133-4—Med. 127-18-7 dated 26th March 1920.

Contributions payable—*concld.*

Name of Institution	Name of Local Body	Contribution	Authority
2. Maternity Hospital, Robertsonpet.	Kolar Gold Fields Sanitary Board	⅓rd of the establishment and contingent charges and Rs. 59 a month for the pay of the Medical Officer.	G O. No. 2521-6—Medi. 190-10-4, dated 6-10-11, and 3-7—Med, 56-13-21, dated 25th September 1914.
3 Epidemic Diseases Hospital, Bangalore.	Bangalore City Municipality.	½ of the actual charges.	G. O. No. 24943-52—Med. 35-19-18, dated 2nd June 1921.
4. Do Mysore ..	Mysore City Municipality.	⅓rd of the actual charges.	Do ..

The demand for the contribution is made by the Comptroller at the end of every year.

(*b*) CONTRIBUTION PAYABLE TO STATE FUNDS ON ACCOUNT OF VETERINARY HOSPITALS AND DISPENSARIES.

(i) *Initial cost.*—The entire amount is payable by the District Board to which the Municipal Council may contribute one third.

(ii) *Maintenance charges.*—A lumpsum annual contribution of Rs. 300 for a Veterinary Hospital and Rs. 150 for a Veterinary Dispensary is payable by the District Board to Government. If the Hospital or Dispensary is situated in a Municipal Town, the Municipal Council of such town shall contribute one third of the contribution to District Funds. (*G. O. No.* 9731-40—*L.B.* 455-07-35, *dated 5th April* 1909 *and No. I. C.* 6461-80—A. & E. 144-22-17, *dated* 30*th March* 1925.)

(iii) *Initial and annual maintenance charges, on account of Breeding Bulls.*—Half is debitable to District Funds. (*G. O. No. R.* 3134-52—*Agr.* 44-15-4, *dated* 20*th September* 1916.)

(iv) *Cost of construction of and repairs to Veterinary Hospitals and Dispensaries.*—The cost is met from State, District and Municipal Funds, in equal proportions. In the case of institutions not situated in Municipal towns and those situated in minor municipalities which are unable to bear such extra cost, the cost is divided equally between District and State Funds only.—(*G. O. No. R.* 6168-79—*R.M.*—14-19-13, *dated* 23*rd November* 1920.)

The adjustment is made in the following manner :—

For initial and maintenance charges and charges on account of Breeding Bulls, crossed cheques for sums advised by the Comptroller will be drawn by the Presidents, in favour of the District Treasury Officers and sent to them for credit to the Veterinary Department.

As regards the cost of construction and repairs, crossed cheques for contributions payable by each Local body should, after the estimates for the works are sanctioned by competent authority and the sanction communicated to it, be issued in favour of the Treasury officers concerned, for credit to the Veterinary Department, before the works are undertaken. The difference between the amount contributed and the actual outlay need not be watched and adjusted, as it will be very small.

253. Executive Engineers will furnish monthly a statement of expenditure incurred on District Fund works (including establishment and tools and plant) carried out by the Public Works

Department to the Presidents of the Boards concerned who will issue crossed cheques for the amount in favour of the Executive Engineer for credit to the Public Works Department. In the treasury, the amount will be credited to " Objection Book Advances—Public Works Department ".

254. (*a*) All District Fund receipts remitted to the treasuries of the district either in cash, or by cheques and all payments made on account of the said fund, shall be entered by the district treasury in a Pass Book.

(*b*) The Pass Book shall remain in the custody of the President and it shall be sent to the Treasury on the 15th and on the last working day of every month for noting the transactions in detail. At the end of the month after the district cash account is closed, the balance should be struck and entered in words, and the Pass Book returned to the President before the eighth of the next month.

(*c*) The President shall examine the Pass Book on its return and shall immediately call the attention of the Treasury Officer to any discrepancy that may appear between the credits and debits shown in it and in his own cash book.

255. If the balance of the District Board in the treasury is overdrawn, interest at 4 per cent will be charged on all overdrawals lasting more than a month and if the deficit cannot be made up in a reasonable time, the Board will have to arrange for a loan from the Government and pay interest thereon in the usual course. (*G. O. No.* 10760-70—*L. B.* 130-10-4, *dated 29th June* 1911.)

Taluk and Village Funds.

256. (*a*) The undermentioned items of revenue are credited to Taluk Fund :—

1. Fifty per cent of the one anna local cess collected on all items of Land Revenue (including Land Revenue Miscellaneous) in the Taluk.
2. Cattle-pound receipts in non-panchayet areas.
3. Rents and fines leviable under section 38 Local Board Regulation.
4. Fees for the use of cart stands and public places during fairs and festivals.
5. Other receipts of a miscellaneous nature.

(*b*) The sources of Village Panchayet revenue (village fund) consist of taxes on houses, shops and vacant sites, and fines under the Cattle Trespass Act.

257. All remittances to treasury either from Village Panchayets or from Taluk Boards should invariably be accompanied by chalans and Pass Books, a separate pass book being maintained for each Taluk Board and Village Panchayet, and the chalans pertaining

to village panchayets being sent, through the Taluk Board Office. The remittances, as they are received, should be noted by the Treasury in the Pass Book.

258. Payments to the Taluk Boards and Village Panchayets are made on cheques, drawn by the Presidents or Chairmen and a member respectively.

Municipal Funds.

259. All collections made on behalf of Municipalities, whether they are made by municipal servants or shanbhogs of the towns, should be entered in the day book kept by the officer making the collections and remitted to the treasury or bank if so authorised, at least, once a week with a chalan, remittance list and the day book, a detailed account of demand, collection and balance being written up and submitted to the Vice-Presidents once a month with the dates on which the sums have been remitted to the treasury. The Vice-President should, on receipt of the monthly statement, satisfy himself that all the moneys have been duly credited in the treasury. If any money is directly paid into the treasury, the Treasury Officer should obtain from the payer a chalan in duplicate and forward one of them duly attested to the Vice-President with a statement of such receipts during the month in view to the necessary entries being made in his accounts.

1. No sum once collected should be allowed to be expended without being brought to account.

2. The chalans forwarded with the remittance should show the name of Municipality to which the amount therein entered has to be credited. For instance, if any money is collected in one Municipality for another, the amount so collected should be specified.

Amounts realised in one Municipality on account of another should be remitted by the former by means of Remittance Transfer Receipts to the Vice-President of the latter Municipality.

3. The entire collections from pounds shall be remitted to the treasury for credit, no deductions being made therefrom by pound keepers on account of charges for feeding cattle. All sums required for the latter purpose shall be advanced from the imprests held by the Vice-Presidents who should take prompt steps to obtain detailed bills of charges from pound keepers concerned and to recoup the advances so made.

4. The commission paid to shanbhogs and others for the collection of revenue should in no case be deducted from the collections. The entire realisations should be remitted to the treasury and the commission disbursed on the receipt of a separate order from the President.

5. When half-currency notes are received in payment of municipal dues, the sums should not be credited in the accounts till the second halves are received but the half notes should be sent to the Vice-President for safe custody, a note of the same being made in the day book ; when the second halves are received by the Vice-President the amount should be remitted to the treasury.

6. The day book which accompanies the remittance should be signed by the Treasury Officer and returned to the person who brings the money on the same day on which the money is received.

260. Payments of Rs. 10 and above should always be made by means of cheques in favour of the parties to whom they are due. This minimum does not apply to cheques drawn for recoupment of imprest on the last day of the month and to crossed cheques drawn for the payment of contributions, etc., payable to State Funds or other Local bodies.

For disbursement of sums less than Rs. 10, a permanent advance of a small sum should be made to the Vice-President or other officer authorised to make disbursements, from which the necessary expenditure should be incurred and the same recouped by them from time to time by the submission of bills to the President with vouchers. Pay and allowances of establishment are also drawn from treasuries on cheques. For the pay of establishment, two cheques should be drawn, one in favour of the Vice-President for the net amount actually required for disbursement and the other crossed in favour of the Treasury Officer for the amount of life insurance premia, subscription to Provident fund, and other amounts to be deducted from the bill and adjusted in the treasury.

1. Every Municipality should have all its transactions with one treasury district or taluk) or Bank if so authorised and pay all its receipts of every description into that treasury or Bank. It must withdraw money required for disbursement only by cheques, except as stated above. The officer in charge of the treasury may cash cheques of Municipalities so long as there is a balance at their credit noting all transactions in the subsidiary register prescribed therefor. Articles 254 and 255 in regard to the maintenance of pass books and overdrawal of balances apply to Municipal funds also.

2. The undermentioned Municipalities are permitted to lodge their funds in the Bank of Mysore for current transactions, subject to keeping a minimum balance noted against each Municipality, in the Treasury.

Name of Municipality	Minimum balance to be kept in the Treasury	Number and date of Government order
	Rs.	
1. City Municipality, Bangalore	5,000	G. O. No. 8466—Ml. 126-16-10, dated 30th June 1917 and G. O No. 11882-5—Ml. 283-13-4, dated 27th May 1914.
2. Do Mysore ..	5,000.	
3. Town Municipality, Tumkur	2,000	G. O. No. 8260-1 Ml. 113-19-3, dated 27th January 1920.

3. Earnest money received by Presidents from contractors will be remitted to the treasury for credit to Municipal Funds. Such money also shall be repaid only on cheques

District and General Irrigation Cess Funds.

261. These are formed from a cess of one anna levied on each rupee of survey assessment on wet and garden lands and acreage cess recovered from raiyats in lieu of their liability to maintain tanks. The funds are administered by the Public Works Department. The following rules in force from 1915-16 prescribed in Government Order No. R. 2157-68—L. R. 630-13-4, dated 12th September 1914 regulate the expenditure of these funds :—

(1) The District will be the unit for the administration of the Irrigation Cess Fund.

(2) Seventy-five per cent of the total amount collected each year in a district will be set apart exclusively for expenditure in that district, the balance of the realisations amounting to twenty-five per cent being formed into a general fund to allow of supplementary grants being made when necessary in exceptional cases in addition to the ordinary allotment by districts.

(3) The District Board should appropriate the district allotment, as far as possible, in proportion to the receipt under this head for each taluk so that works in each taluk may receive their due share of funds and attention.

(4) A triennial programme of urgent and important works in each taluk should be made by the Amildar in consultation with the Taluk Board and submitted to the Deputy Commissioner of the District who will approve of it in consultation with the Executive Engineer and the District Board.

(5) The seventy-five per cent quota of the realisations in each district will be devoted to :—

(i) the ordinary repairs of masonry and stone work to major and minor restored tanks,

(ii) the expenditure, in whole or in part, on account of the maintenance charges of river irrigation channels ; and

(iii) Maintenance charges of tanks for which acreage cess is recovered from raiyats (G. O. No. R. 8902-5 L.R. 282-18-5, *dated 6th February* 1920.)

(6) Proportionate charges on account of establishment and tools and plant at 18 per cent and the receipt of the grant of a corresponding contribution from General Revenues as a set-off against such charges will be provided for in the estimates. (*G. O. No. Fl.* 2593-4—*G. F.* 43-15-2, *dated* 10*th December* 1915.)

NOTE 1.—In Malnad Taluks, where few irrigation works exist requiring repair or improvement, but where roads are urgently required and are very costly in construction, the proceeds of the cess, after the requirements of the irrigation works have been duly provided for, may be applied in constructing the roads decided upon.

NOTE 2.—As regards the recovery of Acreage cess, a register in the form prescribed by the Chief Engineer should be maintained in all divisional offices showing the (*a*) demands made, (*b*) recoveries effected, and (*c*) balances due. The register should be kept as a permanent record.

(7) There will be nine accounts in the Comptroller's books, one on account of the Irrigation Cess Fund of each district and one for Irrigation Cess Fund General. The appropriation within the district according to receipts in each taluk will, however, be an administrative arrangement not liable to audit check or control.

(8) Extraordinary repairs due to breaches and heavy damages to tanks, channels, anikats, etc., may with the special sanction of Government in each case be debited to State Funds. The Cess Fund should be used only for ordinary repairs and maintenance.

NOTE 1.—The cost of maintenance of the river channels in Mysore and Hassan Districts will be debited to the Irrigation Cess Fund only to the extent decided by Government in each case. A certain percentage in the case of these channels may be met from State Funds. (*G. O. No. Fl.* 2592-4—*G. F.* 43-15-2, *dated* 10*th December* 1915.)

NOTE 2.—In some of the taluks that have not been resettled, the cess is merged in the assessment on wet and garden lands and at the close of each year a fixed sum is transferred from Land Revenue to this fund by the Comptroller.

NOTE 3.—The rent of inspection lodges constructed near certain irrigation works and sale proceeds of grass on the bunds of irrigation channels and in the beds of tanks whose maintenance charges are met from this fund, which are realised by the Public Works Department, are credited to this fund.

NOTE 4.—The expenditure incurred from this fund will be accounted for by the Public Works Department in the same manner as expenditure from State Funds. Executive Engineers should furnish Deputy Commissioners with an account of the actual expenditure incurred, the works on which it was incurred, etc. (*G. O. No. R.* 2256-66—*L. R.* 514-16-5, *dated* 28*th August* 1917.)

(9) An account will be maintained in the Comptroller's Office of the receipts and expenditure of the funds and an extract sent to the Deputy Commissioners of the Districts concerned monthly for obtaining their acceptance and verification.

262. (*a*) To secure co-operation between the District Boards and the Public Works Department, the following rules have been laid down in G. O. No. R. 2086-96—L. R. 585-07-11, dated 24th September 1908.

(i) The Taluk Boards will draw up in the form of a budget, if necessary, an annual programme of the local works to be undertaken during a year and submit the same to the District Boards.

(ii) The District Boards will scrutinise these programmes and prepare and submit an annual District Budget to the Revenue Commissioner.

(iii) The Revenue Commissioner will examine and modify them, if necessary, with due regard to the funds available, and in consultation with the Chief Engineer, he will submit to Government in the Revenue Department a consolidated budget for the whole State for sanction.

NOTE.—Deputy Commissioners and Presidents of District Boards should submit their Budgets to the Revenue Commissioner before the 1st of March of every year and the consolidated estimate as finally revised by the Revenue Commissioner and the Chief Engineer should be submitted to Government before 1st May, so that Government may pass orders thereon in time to enable the Comptroller to pr pare and submit to the Government on the prescribed date, the Ways and Means Estimate. (*G. O. Nos. R.* 2279-88—*L. R.* 100-10-3 *and R.* 1805-14—*L. R.* 200-11-2, *dated* 27*th October* 1910 *and* 21*st September* 1911 *respectively.*)

(*b*) The final apportionment of funds for each district will be made by the Government on the information supplied by these Boards and the Revenue Commissioner. The actual execution of the works will be carried on by the Public Works Department, and when completed they will be handed over to the Revenue Department for proper maintenance by the raiyats according to the rules on the subject.

Mysore City Improvement Trust Fund.

263. The Mysore City Improvement Trust Fund is constituted under Regulation III of 1903. In addition to the receipts on account of sale proceeds of Trust lands, model houses and contribution from the Mysore Municipality, collected by the fund, the Government gives it a grant of an amount which is fixed from time to time for expenditure by the fund each year. The fund keeps all its money in the Mysore District Treasury from where it is drawn on cheques signed by the Chairman of the Board for meeting the expenditure of the fund, such as charges on account of the acquisition of properties, drainage works, and construction of model houses. The receipts and payments of the fund will be recorded in the treasury accounts under '10 B. Mysore City Improvement Trust Fund' and will also be entered in a separate pass book which is to be maintained and verified in the usual manner. No adjustments crediting or debiting the fund will be made without the knowledge of the Chairman. The Treasury Officer, Mysore, is authorised by the Comptroller to place at the credit of the fund the contribution of Government. Payments outside Mysore on behalf of the fund are arranged for by the Comptroller and for these the Chairman issues crossed cheques (in favour of the Treasury Officer) which are adjusted to the credit of objection book advances " Civil " by debiting the fund. The accounts of the fund are maintained in the same way as those of public works divisions. An Account current with all schedules and vouchers in support thereof is submitted to the Comptroller monthly for audit.

Muzrai Funds.

264. These consist of the following funds :—

(*i*) Muzrai Institution Funds.
(*ii*) Funds of Institutions under Palace Management.
(*iii*) General Muzrai Fund.
(*iv*) Muzrai Establishment Fund.
(*v*) Muzrai Scholarship fund.
(*vi*) Gumbuz Fund.

(*i*) *Muzrai Institution Funds.*—These are the funds of the various Muzrai institutions and they consist of savings which have accrued from unexpended grants made by Government for the maintenance and repair of temples and rest houses in the State, and private donations from devotees and others, and miscellaneous receipts of temples. Muzrai institutions are divided into three classes.—

I Class.—Those having a total income from all sources exceeding Rs. 1,000 per annum, institutions outside the State, which are maintained from the State Revenues and a few others of special importance to be specified from time to time.

II Class.—Those with an annual income ranging between Rs. 100 and Rs. 1,000.

III Class.—Those with an annual income of less than Rs. 100.

The funds of the first class or major institutions are controlled by local revenue officers assisted by an advisory body of *dharmadarsis* appointed by Government. The funds of the second class or minor institutions will be left to the care of *dharmadarsis* who will be appointed by the Deputy Commissioner, in consultation with the Muzrai Commissioner. The funds of the third class or village institutions will be left in charge of village panchayets where such exist, or in the care of *pujaries* under the control of local officials, the patel and the shanbhog if in a revenue village or of the holders of similar offices if in a Municipal town. The powers and duties of Deputy Commissioners and other local officers, the Muzrai Commissioner and the Government in Muzrai matters are defined in detail in *G. O. No.* 517-50 *Muz.* 63-24, *dated* 31*st July* 1922 *and No.* 1332-63 *Muz.* 63-22-9, *dated* 23—25*th September* 1922.

(*ii*) *Institutions under Palace Management.*—The transactions of some Muzrai institutions, which are under the control of the Palace and for which detailed accounts are maintained by the Huzur Secretary to His Highness the Maharaja, appear under this head in the accounts of the Mysore District Treasury.

(*iii*) *General Muzrai Fund.*—This consists of the available surplus at the credit of the various Muzrai institutions under Government management subject to the limits noted below :—

(1) where the institution needs repairs, the amount necessary therefor should be fully set apart and only the balance appropriated.

(2) a further sum of Rs. 2,000 to Rs. 4,000 according to the needs and importance of the institution concerned should be reserved in each case for the future requirements of the institutions.

(3) The funds of Non-Hindu institutions should be kept and dealt with separately from the funds of Hindu institutions.

The surplus amount referred to above is invested and the interest thereon utilised for the benefit of muzrai institutions generally such as construction and repairs and also for other purposes not inconsistent with the objects of the original endowments. The cost of the engineering establishment for the inspection of the buildings and grounds attached to the various important institutions and also for drawing up estimates for repairs and improvements, as also for scrutinising the plans and estimates received from the Deputy Commissioners will be met from the interest on this fund.

(*iv*) *Muzrai Establishment Fund.*—In order to meet the charges of muzrai establishments maintained in the offices of the Muzrai Commissioner, the Comptroller, the Deputy Commissioners of Districts and Taluk Offices, a percentage contribution on the annual income of major and minor institutions is levied except

in the case of institutions where there is not a sufficient margin of surplus. The proportion of this levy is tentatively fixed at 5 per cent on the income of major institutions and 3 per cent on that of the minor institutions. This fund which is known as the Muzrai Establishment Fund, takes the place of contributions levied from certain institutions only and is utilised wholly for meeting the cost of such special establishments.

(*v*) *Muzrai Scholarship fund.*—The fund is formed with the contributions received from certain Matadhipathis, for awarding scholarships to the students studying veda, etc., in the sanskrit colleges of Bangalore and Mysore. Payment of scholarships is made on bills drawn by the Heads of these institutions. (*G. O. No.* 2051-4—*Edn.* 193-18-9, *dated 27th August* 1919.)

(*vi*) *Gumbuz Fund.*—The unexpended portion of the grants made by Government (*Vide* G. O. No. 3344-5—200, dated 7th August 1882) for meeting the charges connected with the tombs and mausoleum of Hyder Ali and Tippu Sultan and the masjids at Seringapatam, votive and other offerings and sale proceeds of the produce of the surrounding gardens are credited to this fund. Bills for the pay of servants and other charges for the up-keep of the tombs are drawn by the officer in charge of the Gumbuz, the balance available being certified to by the Treasury Officer. All charges other than establishment charges require the sanction of Government. A portion of the balance at the credit of the fund is invested in Government of India Securities.

265. (*a*) All collections and receipts, from whatever source they may accrue, such as *Kanikes*, *Kappas*, contribution for works from devotees, receipts from land, mohatarfa, rent on toddy trees, house rent, fees levied on cattle, must in the first instance, be remitted to the treasury with a view to their being credited to the funds of the institution, and money required for expenditure in connection therewith, should be drawn on separate bills previously sanctioned by competent authority, such as the Deputy Commissioner, the Muzrai Commissioner or the Government as the case may be. Such collections when remitted to the treasury, will be credited to "Muzrai Funds."

(*b*) Muzrai payments are made on establishment, contingent and work bills according to the nature of the payment. All work bills whether intermediate or final, passed by the Deputy Commissioner, are payable at treasuries; and all payments thus made are subjected to post audit. Care should, however, be taken that such payments do not result in any overdraft in the accounts of the institution concerned. All claims should be carefully checked with reference to recorded measurements before payments are ordered. In case of delay in the execution of works sanctioned, the cost of the sanctioned estimates will be regarded as ear-marked for the purpose, and the balance alone made available for new sanction.

NOTE.—Completion Reports in respect of estimates of and above Rs. 2,500 will be submitted to Government, those up to Rs. 2,500 being scrutinised and passed by the Muzrai Commissioner in Mysore. (*Vide G. O. No.* 2045-6—*Muz.* 230-22-7, *dated 13th January* 1923.)

(*c*) If any money is required for expenditure in connection with cattle fairs, where fees are levied for the benefit of the temple, upon the cattle brought for sale, the Amildar may apply through the Deputy Commissioner for a reasonable advance (adequate to the expected collections) from the savings of the institution, which will be sanctioned by Government, subject to reimbursement in due course from the collections from fees, etc. (*G. O. No.* 2165-74, *dated 28th January* 1904.)

(*d*) In the Treasury accounts all receipts and payments on account of Muzrai Funds are entered in a separate schedule, a copy of which is sent to the Comptroller along with the monthly cash account.

266. There should be one pass book in use at a time in the Muzrai Branch of the Taluk Office wherein a few pages should be alloted for each institution. A separate book will be kept for abstracting the monthly transactions. As regards institutions under the direct charges of the Deputy Commissioner or Muzrai Commissioner, there should be a separate pass book for each institution. The pass book should be presented at the Treasury with every transaction of remittance into or drawal from the Treasury. Payments or credits affecting any institution should appear only in the accounts of the Treasury at which the account of the institution is opened. Receipts or expenditure on behalf of an institution in a different taluk or in the office of the Deputy Commissioner or Muzrai Commissioner, etc., should be forthwith intimated to the Taluk in which the pass book of the Institution is maintained. The receipts will be advised and adjusted by means of Remittance Transfer Receipt in the taluk treasury accounts concerned, and no payments should be made except at the particular taluk or on Remittance Transfer receipts issued therefrom. The monthly total of credits, debits and balance noted in the book maintained in the Muzrai branch for abstracting the transactions, will be agreed with Treasury books under the initials of the Treasury officer at the end of each month. A copy of the abstract as certified to by the Treasury Officer will be sent as an enclosure to the monthly return of accounts submitted by the Amildar to the Muzrai Commissioner and the Deputy Commissioner. A taluk-war abstract will be prepared in the Muzrai Commissioner's Office at the end of each month and sent to the Comptroller for verification and return for record in the former office. After such verification and return, extracts from the consolidated abstract will be sent by the Muzrai Commissioner to the Deputy Commissioners of districts for note and information. (*G. O. No.* 972-3—*Muz.* 1-24-5, *dated 7th January* 1925.)

NOTE 1.—*Tasdik grant due to several Muzrai Institutions and State grant sanctioned for construction and repairs, etc., of Muzrai Institutions.*—The grants under these heads should be drawn on a separate bill in the prescribed form and presented to the Treasury with the pass book. The tasdik grant should be drawn annually in July. The State grant for construction should be drawn as and when sanctioned by Government, the authority being quoted in the bill and a copy thereof also being attached to it. The amounts will be adjusted in the treasury by debit to " General List of Payments " and transfer credit to " Muzrai Institution Funds. " Stipends and personal allowances should not be included in the bill for adjustment of tasdik grant and should be drawn separately and charged to " General List of Payments ".—

NOTE 2.—*Transfer of funds to Public Works Department on account of estimates sanctioned for works of Muzrai Institutions.*—The amount should be drawn on the blil in the prescribed form attaching thereto a copy of the order directing the transfer of funds to Public Works Department and presented at the treasury. The Treasury will charge the amount of the bill to Muzrai funds and credit the amount by transfer to " Public Works Deposits. "

NOTE 3.—*Interest on sums invested on behalf of Muzrai Institutions.*—One interest payment order is issued by the Comptroller half-yearly for all the institutions in a Taluk with details as to the amount creditable to each. The Treasury will charge the amount of the payment order when presented, to " Trust Interest fund-deposits " and credit the same to Muzrai Funds.

267. The Deputy Commissioners, Muzrai Department, and the Huzur Secretary to His Highness the Maharaja (as regards Muzrai Institutions under the control of the Palace) should arrange for correct accounts of Muzrai Institutions being maintained in the forms prescribed by the Comptroller and approved of by Government so as to admit of detailed audit. (*G. O. No.* 2892-901—*Muz. F.* 5-96, *dated* 19*th March* 1904.)

Military Funds—Remount Fund.

268. The fund is intended for the purchase of remounts, feed and keep of riderless horses, cost of special diet, etc. It derives its income from the followings ources:—

(1) Chanda donation of Rs. 250 from recruits, (2) monthly subscription from all ranks towards remount insurance, (3) sale proceeds of cast horses, (4) grant, if any, sanctioned by Government for replacement of animals, and (5) one month's pay from such of those whose horses die and who are provided with fresh remounts. [Bills are pre-audited by the Comptroller.]

The Chief Commandant will arrange to purchase remounts required for the regiment two or more times in a year according to necessity, either at Madras, Bombay or Calcutta, the average price of each horse not exceeding Rs. 490 except with the special sanction of Government. Every horse before it is purchased shall be certified by a veterinary officer to be sound and fit for service. (*G. O. No. G.* 12259-60—*Mily.* 241-15-2, *dated* 10*th March* 1917 *and No. G.* 2707-8—*Mily.* 267-24-4, *dated* 27*th October* 1925.)

Mysore University Fund.

269. All grants made by Government from time to time and all sums paid or endowments made by private persons or Local bodies for the purposes of the University together with all fees received and rents, profits, and other income derived from the property and funds vested in the University shall form the Mysore University Fund which shall be at the disposal of the University to be employed for any of the purposes mentioned in the Mysore University Regulations or in the ordinances of the University.

1. The Central College, Bangalore, the Maharaja's College, Mysore, and such other Colleges and Institutions as may be transferred to the University shall be deemed to be constituent colleges of the University and all properties moveable or immoveable attached to such constituent colleges shall vest in the University.

2. All charges relating to the University including the constituent colleges will be debited to this fund.

3. The budget of the University after consideration by the senate will be sanctioned by Government.

4. All moneys received on account of the Mysore University shall be remitted to the treasury for credit to this head. Funds for expenditure shall be drawn from the treasury on salary, establishment, travelling allowance, contingent and other bills as the case may be under the rules of this Code relating thereto.

5. All transactions in the Treasury relating to the University should be recorded by the Treasury in a separate schedule. No payment, chargeable to the Mysore University Fund on account of bills preaudited by the Comptroller or paid direct by the treasuries, should ever be charged in the General List of Payments.

The receipt and payment schedules above referred to should be prepared in *triplicate*, one copy thereof being retained as Treasury record, the second copy sent to the Registrar of the Mysore University immediately after the close of the month, and the third copy with bills and vouchers sent to the Comptroller along with the treasury accounts for the month.

6. Payments to other Government departments for supplies made or services rendered, will be in cash and not by book transfer. For Payments in India, outside the State, the Registrar sends requisitions to the Officer in charge of State Huzur Treasury, Bangalore, who arranges for payment by means of Bank drafts. Payments outside India, are arranged for by the Comptroller, through Messrs. Coutts & Co., London, on requisitions received from the Registrar.

7. The Comptroller sends monthly to the Registrar, not later than the 15th of the second month following, a consolidated statement showing, by districts, the credits and debits to the University fund ; and the treasury schedules with chalans and vouchers are sent in support thereof. A *plus* and *minus* memo showing the opening balance, receipts and payments and the balance at the close of each month is also sent by him to the Registrar.

8. Government officers travelling in connection with the Mysore University work will draw travelling allowances at the rates ordinarily allowed to them under the Mysore Service Regulations, and retired officers at the rates to which they were entitled immediately prior to retirement.

The whole amount so drawn will be charged to the University, provided that if a Government officer combines a journey for University duty with inspection or other duty appertaining to his office, the whole amount should be charged to general revenues.

In all cases in which the allowances are charged entirely to the University, the Registrar, Mysore University, to whom the travelling allowance bills concerned should be sent, is authorised to countersign and forward them to the Comptroller for audit. (*G. O. No.* 5578-9—*Edn.* 54-16-25, *dated 22nd January* 1917.)

9. The accounts of the University are audited by an auditor of the local audit staff of the Comptroller's Office. Detailed accounts relating to this fund are maintained in the office of the Registrar of the University.

10. Notwithstanding anything contained in the Mysore University Regulations, all professors, assistant professors and other officers and servants employed in the constituent colleges of the University shall, unless a reservation to the contrary is made at the time of their employment, be deemed to be officers holding appointments under Government and shall in all respects be governed by the rules framed by Government and in force in respect of such officers.

Coffee Cess and Experimental Station Fund.

270. This fund consists of (1) Cess on Coffee holdings in the State, collected along with Land Revenue, and remitted to the treasuries by the Revenue Authorities, (2) Government Grant to the fund, (3) Contributions received from private bodies for the Coffee, Experimental Station, and (4) miscellaneous receipts of the Experimental Station remitted by the Agricultural Department. The expenditure incurred by the Agricultural Department in connection with Coffee Experimental Station is charged to this fund. The Director of Agriculture, who is the administrator of the Fund maintains necessary detailed accounts. The Comptroller forwards to him, monthly a statement showing (i) Opening balance, (ii) Credits to the fund in the several districts, (iii) Payments made at the several treasuries and, (iv) Closing balance. The Director should verify the figures communicated by the Comptroller with those of the registers maintained in his office and communicate the result to the Comptroller. At the end of each year, the Director should send to the Comptroller a certificate of acceptance of the balance in the Comptroller's books. (*G. O. No. I. C.* 4216-25 *A. & E.* 161-25-3, *dated 22nd December* 1925).

Village Improvement Fund.

271. This fund consists of (1) contributions made in cash by villagers for Village Improvement Works. (2) grants-in-aid for such works sanctioned by Government.

1. The allotment for Village Improvement Works is intended to be utilised chiefly in villages which are not Unions and as such have no funds at their disposal

for works of permanent utility for which expenditure may be legitimately incurred from State or District Funds, such as improvements in sanitation, water-supply, drainage, formation of village roads, provision of accommodation for travellers and works of a similar nature but not ordinarily for school buildings, temples, mosques and similar religious or charitable institutions.

2. In sanctioning grants the important conditions to be kept in view are that the grant is for a legitimate purpose, that the work sanctioned is of permanent utility to the village and that the villagers have made some sacrifice to have it carried out.

3. A separate grant is made annually in the budget for sanctioning grants-in-aid for Village Improvement Works. A grant-in-aid equal in amount to the contribution raised by the villagers for any Village Improvement Work is payable by Government (*G. O. No. R.* 153-162—*R. M.* 2-25-1, *dated 11th July* 1925). The villagers' contribution may be in cash or in the shape of labour.

4. The amounts allotted for grants-in-aid for works connected with the Village Improvement Scheme for each district and placed at the disposal of the Deputy Commissioners of the districts will, after sanction, be transferred by the Deputy Commissioners or other authority competent to sanction estimates on bills specifying the particulars noted in the margin to the credit of the Village Improvement Fund. The amounts required for the execution of works will be drawn on separate work bills duly passed by the Deputy Commissioner out of this fund.

1. Nature of work. 2. Estimated cost. 3. Amount contributed by villagers (a) in cash, and (b) by labour. Date of credit, for cash contributions, to the treasury with the Treasury Officer's certificate.

5. The Deputy Commissioners will send monthly to the Audit Office list of works sanctioned from the Village Improvement Funds. A register should be maintained in each treasury showing the amount credited and debited to the Village Improvement Fund, and the treasury should watch that the amounts paid do not exceed the balance at credit. The District Treasury should forward to the Comptroller a copy of the subsidiary register with chalans and vouchers and also a *plus* and *minus* memo showing by taluks the opening balance, credits and debits and closing balance under this head, every month along with the treasury accounts.

6. The taluk treasury should also keep a ledger showing the transactions of the several committees with which it has dealings to enable it to find the balance at the credit of each committee. In addition to the centralised audit of the work bills in the Comptroller's Office, a certain percentage will be examined locally by the local audit staff of the Comptroller's Office with reference to measurement books and other registers maintained in the district, sub-division and taluk offices, and every facility should be afforded for carrying on this work.